

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE**

FLASHPOINT TECHNOLOGY, INC.,

Plaintiff,

V.

AIPTEK, INC.,
ARGUS CAMERA CO., LLC,
BUSHNELL INC.,
DXG TECHNOLOGY (U.S.A.) INC.,
DXG TECHNOLOGY CORP.,
GENERAL ELECTRIC CO.,
LEICA CAMERA AG,
LEICA CAMERA INC.,
MINOX GMBH,
MINOX USA, INC.,
MUSTEK, INC. USA,
MUSTEK, INC.,
OREGON SCIENTIFIC, INC.,
POLAROID CORP.,
RITZ INTERACTIVE, INC.,
RITZ CAMERA CENTERS, INC.,
SAKAR INTERNATIONAL, INC., D/B/A
DIGITAL CONCEPTS,
TABATA U.S.A., INC., D/B/A
SEA & SEA,
TARGET CORP.,
VISTAQUEST CORP.,
VUPOINT SOLUTIONS, INC.,
WALGREEN CO.,
and
WAL-MART STORES, INC.,

Defendants.

Civil Action No. 1:08-cv-139-GMS

JURY TRIAL DEMANDED

PLAINTIFF'S REPLY TO MUSTEK, INC. USA'S COUNTERCLAIMS

Plaintiff FlashPoint Technology, Inc. (“FlashPoint”) hereby responds to each paragraph of Mustek, Inc. USA’s (“Mustek USA”) Counterclaims as follows:

PARTIES

1. Upon information and belief, admitted.
2. Admitted.

JURISDICTION AND VENUE

3. Admitted that this action purports to arise under the Patent Laws of the United States, 35 U.S.C. § 100 *et seq.*, and the Declaratory Judgments Act, 28 U.S.C. §§ 2201 and 2202, that an actual justiciable controversy exists between FlashPoint and Mustek USA regarding the infringement of one or more claims of the patents-in-suit, that FlashPoint is the legal owner of the patents-in-suit, and that this Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331, 1338(a), 2201, and 2202, but otherwise denied.
4. Admitted.

FIRST COUNTERCLAIM

5. FlashPoint incorporates the replies set forth to Paragraphs 1-4 as if fully set forth herein.
6. Denied.
7. Admitted that Mustek USA seeks a declaration from this Court that Mustek USA does not infringe any valid, asserted claim of the '480 patent.

SECOND COUNTERCLAIM

8. FlashPoint incorporates the replies set forth to Paragraphs 1-7 as if fully set forth herein.

9. Denied.

10. Admitted that Mustek USA seeks a declaration from this Court that the asserted claims of the '480 patent are invalid.

THIRD COUNTERCLAIM

11. FlashPoint incorporates the replies set forth to Paragraphs 1-10 as if fully set forth herein.

12. Denied.

13. Admitted that Mustek USA seeks a declaration from this Court that Mustek USA does not infringe any valid, asserted claim of the '956 patent.

FOURTH COUNTERCLAIM

14. FlashPoint incorporates the replies set forth to Paragraphs 1-13 as if fully set forth herein.

15. Denied.

16. Admitted that Mustek USA seeks a declaration from this Court that the asserted claims of the '956 patent are invalid.

FIFTH COUNTERCLAIM

17. FlashPoint incorporates the replies set forth to Paragraphs 1-16 as if fully set forth herein.

18. Although FlashPoint is still investigating this matter, FlashPoint does not presently allege that Mustek USA infringes, contributes to the infringement of, or actively induces others to infringe, any claim of the '538 patent.

19. FlashPoint does not presently assert that any claim of the '538 patent is infringed by Mustek USA.

SIXTH COUNTERCLAIM

20. FlashPoint incorporates the replies set forth to Paragraphs 1-19 as if fully set forth herein.

21. Although FlashPoint is still investigating this matter, FlashPoint does not presently allege that Mustek USA infringes, contributes to the infringement of, or actively induces others to infringe, any claim of the '538 patent.

22. FlashPoint does not presently assert that any claim of the '538 patent is infringed by Mustek USA.

SEVENTH COUNTERCLAIM

23. FlashPoint incorporates the replies set forth to Paragraphs 1-22 as if fully set forth herein.

24. Denied.

25. Admitted that Mustek USA seeks a declaration from this Court that Mustek USA does not infringe any valid, asserted claim of the '190 patent.

EIGHT [SIC] COUNTERCLAIM

26. FlashPoint incorporates the replies set forth to Paragraphs 1-25 as if fully set forth herein.

27. Denied.

28. Admitted that Mustek USA seeks a declaration from this Court that the asserted claims of the '190 patent are invalid.

NINTH COUNTERCLAIM

29. FlashPoint incorporates the replies set forth to Paragraphs 1-28 as if fully set forth herein.

30. Although FlashPoint is still investigating this matter, FlashPoint does not presently allege that Mustek USA infringes, contributes to the infringement of, or actively induces others to infringe, any claim of the '316 patent.

31. FlashPoint does not presently assert that any claim of the '316 patent is infringed by Mustek USA.

TENTH COUNTERCLAIM

32. FlashPoint incorporates the replies set forth to Paragraphs 1-31 as if fully set forth herein.

33. Although FlashPoint is still investigating this matter, FlashPoint does not presently allege that Mustek USA infringes, contributes to the infringement of, or actively induces others to infringe, any claim of the '316 patent.

34. FlashPoint does not presently assert that any claim of the '316 patent is infringed by Mustek USA.

ELEVENTH COUNTERCLAIM

35. FlashPoint incorporates the replies set forth to Paragraphs 1-34 as if fully set forth herein.

36. Although FlashPoint is still investigating this matter, FlashPoint does not presently allege that Mustek USA infringes, contributes to the infringement of, or actively induces others to infringe, any claim of the '914 patent.

37. FlashPoint does not presently assert that any claim of the '914 patent is infringed by Mustek USA.

TWELFTH COUNTERCLAIM

38. FlashPoint incorporates the replies set forth to Paragraphs 1-37 as if fully set forth herein.

39. Although FlashPoint is still investigating this matter, FlashPoint does not presently allege that Mustek USA infringes, contributes to the infringement of, or actively induces others to infringe, any claim of the '914 patent.

40. FlashPoint does not presently assert that any claim of the '914 patent is infringed by Mustek USA.

THIRTEENTH COUNTERCLAIM

41. FlashPoint incorporates the replies set forth to Paragraphs 1-40 as if fully set forth herein.

42. Although FlashPoint is still investigating this matter, FlashPoint does not presently allege that Mustek USA infringes, contributes to the infringement of, or actively induces others to infringe, any claim of the '575 patent.

43. FlashPoint does not presently assert that any claim of the '575 patent is infringed by Mustek USA.

FOURTEENTH COUNTERCLAIM

44. FlashPoint incorporates the replies set forth to Paragraphs 1-43 as if fully set forth herein.

45. Although FlashPoint is still investigating this matter, FlashPoint does not presently allege that Mustek USA infringes, contributes to the infringement of, or actively induces others to infringe, any claim of the '575 patent.

46. FlashPoint does not presently assert that any claim of the '575 patent is infringed by Mustek USA.

DEMAND FOR JURY TRIAL

47. No response to Paragraph 47 is required.

Plaintiff and Counterclaim-Defendant Flashpoint Technology, Inc., respectfully seeks judgment dismissing the Counterclaim in its entirety, awarding Flashpoint's costs of suit and reasonable attorney's fees, and granting such other relief as may be just and appropriate.

Dated: April 30, 2008

Respectfully submitted,

/s/ David J. Margules

David Margules

Delaware Bar No. 2254

E-mail: dmargules@bmf-law.com

**BOUCHARD MARGULES &
FRIEDLANDER, P.A.**

222 Delaware Avenue

Suite 1400

Wilmington, Delaware 19801

Telephone: (302) 573-3500

Facsimile: (302) 573-3501

OF COUNSEL:

Patrick J. Coughlin, Esq.

E-mail: patc@csgrr.com

Michael J. Dowd, Esq.

E-mail: miked@csgrr.com

Ray A. Mandlekar, Esq.

E-mail: rmandlekar@csgrr.com

**COUGHLIN STOIA GELLER
RUDMAN ROBBINS LLP**

655 West Broadway, Suite 1900

San Diego, California 92101

Telephone: (619) 231-1058

Facsimile: (619) 231-7423

John F. Ward, Esq.

E-mail: wardj@wardolivo.com

John W. Olivo, Jr., Esq.

E-mail: olivoj@wardolivo.com

David M. Hill, Esq.

E-mail: hilld@wardolivo.com

WARD & OLIVO

380 Madison Avenue

New York, New York 10017

Telephone: (212) 697-6262

Facsimile: (212) 972-5866

Attorneys for Plaintiff

FlashPoint Technology, Inc.